



**INTERNATIONAL TRADE COMMISSION**

**[Investigation No. 337-TA-1082 (CAFC Remand)]**

**Certain Gas Spring Nailer Products and Components Thereof; Commission Decision to Grant Complainant's Motion to Terminate the Investigation on Remand; Rescission of Remedial Orders and Termination of the Investigation**

**AGENCY:** U.S. International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that the U.S. International Trade Commission ("the Commission") has determined to grant complainant's motion to terminate the investigation on remand and vacate the remedial orders issued in the underlying investigation. The investigation is terminated.

**FOR FURTHER INFORMATION CONTACT:** Sidney A. Rosenzweig, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, SW., Washington, D.C. 20436, telephone (202) 708-2532. Copies of non-confidential documents filed in connection with this investigation may be viewed on the Commission's electronic docket (EDIS) at <https://edis.usitc.gov>. For help accessing EDIS, please email [EDIS3Help@usitc.gov](mailto:EDIS3Help@usitc.gov). General information concerning the Commission may also be obtained by accessing its Internet server at <https://www.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal, telephone (202) 205-1810.

**SUPPLEMENTARY INFORMATION:** The Commission instituted this investigation on November 20, 2017, based on a complaint filed on behalf of Kyocera Senco Brands Inc. (now known as Kyocera Senco Industrial Tools, Inc.) ("Kyocera") of Cincinnati, Ohio. 82 FR 55118-19 (Nov. 20, 2017). The complaint, as amended and supplemented, alleged violations of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 ("section 337"), based upon the importation into the United States, the sale for importation, and the sale within the United States after

importation of certain gas spring nailer products and components thereof by reason of infringement of, *inter alia*, certain claims of U.S. Patent Nos. 8,267,296 (“the ’296 patent”); 8,27,297 (“the ’297 patent”); 8,387,718 (“the ’718 patent”); 8,286,722 (“the ’722 patent”); and 8,602,282 (“the ’282 patent”). The complaint further alleged the existence of a domestic industry. The Commission’s notice of investigation named as a respondent Hitachi Koki U.S.A., Ltd. (now known as Koki Holdings America Ltd.) (“Koki”) of Braselton, Georgia. The Office of Unfair Import Investigations did not participate in the investigation. Prior to the evidentiary hearing, the parties stipulated that the ’718 patent was the only remaining patent at issue because no violation could be shown as to the ’296, ’297, ’722, and ’282 patents based on claim construction and an evidentiary ruling excluding Kyocera’s expert testimony with respect to proving infringement under the doctrine of equivalents, but not literal infringement. *See* Initial Determination (Jun. 7, 2019) at 1-2, *unreviewed by* Comm’n Notice (Aug. 14, 2019) (“the August 14, 2019 Determination”).

On March 5, 2020, having found asserted claims 1, 10, and 16 of the ’718 patent infringed and not invalid and the domestic industry requirement satisfied, the Commission issued its final determination finding a violation of section 337. 85 FR 14244-46 (Mar. 11, 2020). The Commission issued a limited exclusion order (“LEO”) directed against Koki’s infringing products and a cease and desist order (“CDO”) directed against Koki. *Id.*

Both Kyocera and Koki timely appealed the August 14, 2019 Determination and the Commission’s final determination, respectively, to the Federal Circuit. The separate appeals were subsequently consolidated. On January 21, 2022, the Court issued a decision vacating and remanding (for further proceedings consistent with the Court’s opinion) the Commission’s finding of a violation of section 337. *Kyocera Senco Indus. Tools Inc. v. ITC*, 22 F.4th 1369 (Fed. Cir. 2022). Specifically, the Federal Circuit: (1) ruled that Kyocera’s expert testimony should have been excluded for both infringement under the doctrine of equivalents and literal

infringement; (2) reversed the Commission’s finding that the “lifter member” limitation was not means-plus-function; (3) held that the “initiating a driving cycle” limitation cannot be met by pressing the exit end of a safety contact element against a workpiece; and (4) affirmed the Commission on all other issues on appeal. The Court’s mandate issued on March 14, 2022, returning jurisdiction to the Commission for the remanded issues.

On March 28, 2022, the Commission issued an Order requesting the parties to provide comments concerning what further proceedings are appropriate consistent with the Court’s judgment, including whether the matter should be referred to the ALJ. See Comm’n Order (Mar. 28, 2022) at 2-3.

On April 7, 2022, Kyocera and Koki each submitted comments. In addition to its comments, on April 7, 2022, Kyocera filed a motion to terminate the remand proceeding due to withdrawal of its complaint. On April 14, 2022, Kyocera and Koki each submitted response comments. On the same date, Koki also submitted an opposition to Kyocera’s motion to terminate.

The Commission has determined to terminate the investigation. Kyocera, the complainant, no longer seeks relief. Koki seeks further decision-making by the Commission in remand proceedings that, if Koki were to prevail, would amount to a declaratory judgment of noninfringement for Koki. The Commission, however, lacks the authority to proceed with declaratory (or any other) counterclaims.<sup>1</sup> 19 U.S.C. 1337(c); *see also, e.g., Solomon Techs.*,

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<sup>1</sup> The Commission’s rules of practice, 19 CFR 210.21(a), do not contemplate or specify procedures for a situation, as here, where the Commission’s final determination is vacated on appeal and remanded for further proceedings. The Commission has the inherent authority under these circumstances to manage its docket and to terminate the investigation at Kyocera’s request. *Certain Digital Satellite System (DSS) Receivers and Components Thereof*, Inv. No. 337-TA-392, Notice, 64 FR 27295 (May 19, 1999). The relief that Koki seeks, by opposing termination of the remanded investigation and pressing to continue forward, would result in a waste of public and private resources. Moreover, as set forth in the above text, continuing now would be in tension, if not outright conflict, with section 337(c).

*Inc. v. ITC*, 524 F.3d 1310, 1320 (Fed. Cir. 2008).

As part of this termination, the Commission rescinds the remedial orders in their entirety.

The Commission has also determined that it would be premature at this time for it to decide the effect, if any, of this termination on a future complaint that might be filed.

Accordingly, the Commission need not and does not now decide what action it may take,

or what conditions may apply, should Kyocera in the future file a complaint based on the same or similar alleged violations of section 337 by Koki. Nor does the Commission now decide whether and how, if a new investigation were instituted based on the same or similar allegations, the record from the instant investigation may be used in such future investigation.

The investigation is terminated.

The Commission vote for this determination took place on June 15, 2022.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, and in Part 210 of the Commission's Rules of Practice and Procedure, 19 CFR part 210.

By order of the Commission.

Issued: June 15, 2022.

**Lisa Barton,**

*Secretary to the Commission.*

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